Annual General Meeting: Chairman Address to Shareholders

Melbourne, Australia, 25 October 2024: Algorae Pharmaceuticals Limited ('Algorae' or 'the Company') (ASX code: 1AI) is pleased to attach the address of the Chairman, at the Annual General Meeting being held today.

Good morning, everyone.

On behalf of the Board, I am pleased to welcome you to our 2024 annual general meeting ('AGM'). This year, we've made disciplined progress, directing resources to the core pillars of our business, focussing heavily on research and development. Our initiatives have shaped the future of our Company, positioning us to deliver long-term value for shareholders.

Last month, we proudly launched AlgoraeOS, our cutting-edge artificial intelligence platform. This milestone was delivered on schedule and equipped with four proprietary AI neural networks capable of analysing vast medical and scientific datasets. AlgoraeOS is specifically designed to predict fixed-dose combination drug targets, and I'm pleased to confirm that our models have demonstrated significant improvements in prediction accuracy compared to current state-of-the-art methods.

Our platform is trained to predict synergistic mechanisms of action between two existing pharmaceutical drugs, with the potential outcome being either improved product efficacy, safety, or both. Additionally, fixed-dose combinations typically benefit from accelerated regulatory pathways with agencies like the FDA and TGA, allowing us to compress the costly and time-consuming discovery phase for novel, and potentially very valuable patient offerings.

We're already developing AlgoraeOS Version 2.0, with a focus on furthering predictive capability and accuracy by expanding the datasets that power our AI models. In the coming weeks, we expect to define our initial *in-silico* predictions for fixed-dose combination drug targets, which will undergo laboratory analysis to confirm the intellectual property potential and other commercial aspects of our targets.

In terms of drug development, I am pleased to report ongoing discussions with several credentialed research organisations who can assist with the clinical development of AI-116, our promising dementia drug candidate. Pre-clinical results of AI-116, which combines Donepezil with CBD, have shown significant therapeutic potential to improve upon Donepezil as a standalone drug. Based on this initial success, we've filed an international patent application over AI-116 to strengthen our intellectual property portfolio ahead of our trials.

Our cardiovascular drug candidate, **AI-168, is also making excellent progress**. The Victorian Heart Institute at Monash University is leading preclinical studies, and we expect to share pivotal data in November 2024. These *in-vitro* models will provide valuable insights into the mechanism of action of AI-168 across various cardiovascular conditions, forming the foundations for another international patent application.

Financially, Algorae is in a strong position. With approximately $2.8 million in cash and a material R&D tax rebate expected in the December quarter, we're well-funded to advance our research pipeline. Our ongoing focus on capital efficiency, leveraging local intellectual capital ensures that we maximise our financial resources while continuing to drive innovation.

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Looking ahead, we're excited to update you on the continued progress of our R&D programs and expanding project pipeline. We remain committed to collaborating with global experts and advancing our mission to create breakthrough therapies.

Thank you for your continued support.

Mr David Hainsworth, Chairman.